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## **PRESS RELEASE**

### **FOR IMMEDIATE RELEASE**

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## **CMHCM Advocates Change in Medicaid Rules**

Mt. Pleasant, MI – Community Mental Health for Central Michigan (CMHCM) has joined with several advocacy groups and community mental health organizations to build greater public awareness that many low income individuals with disabilities face unrealistic restrictions in their efforts to obtain Medicaid eligibility. It is true that many individuals who are aged, blind, and disabled are required to spend a large percentage of their monthly income on medical costs down to a certain protected income limit (PIL) in order to be eligible for Medicaid coverage each month, otherwise known as a Medicaid Spend Down.

The typical PIL set by the State of Michigan is about \$400 per month for the individual's housing, food, clothing, and other necessities. Many people cannot cover these monthly expenses with \$400. The problem is that any excess income over \$400 has to be spent on medical expenses down to that \$400 limit in order for the individual to be eligible in any month for Medicaid-covered mental health services. For example, a person with a social security disability income of \$800 is expected to spend half, or \$400, toward their own medical care before Medicaid insurance becomes active, leaving just \$400 for all monthly living expenses.

The PIL levels have not been increased in nearly 20 years, resulting in individuals being forced to choose between purchasing basic necessities and seeking mental or physical health care. CMHCM questions whether a policy change at the State level to disregard certain unearned income (social security and disability, for example) for Medicaid eligibility would benefit our citizens who are aged, blind, or disabled and their families or guardians from having to make such grim choices.

Medicaid dollars cannot be used to cover the cost of a Medicaid deductible. However, the State of Michigan permits CMHCM to use general funds to provide

services to individuals and apply the cost of mental health services provided toward their Medicaid deductibles. Unfortunately, state general fund appropriations to community mental health have been reduced to a point where CMHCM can no longer afford to cover the Medicaid deductibles.

It was for that reason that, in May 2015, notices to consumers were sent that explained that CMHCM no longer had funds sufficient to cover Medicaid deductibles with State general fund dollars. The new 2016 fiscal year general fund budget allocation to CMHCM is similar to last year. The 2016 fiscal year general fund dollars allocated to CMHCM are prioritized to assure mandated provision of crisis and urgent services, including inpatient hospitalization, throughout the entire year across the CMHCM region.

CMHCM services a six-county area: Clare, Isabella, Gladwin, Mecosta, Midland, and Osceola. The mission of CMHCM is to promote community inclusion and optimal recovery through provision of comprehensive and quality integrated services to individuals with a mental illness, developmental disability, and/or substance use disorder. More information is available at [www.cmhcm.org](http://www.cmhcm.org).

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